

**JOHN B. DAVIS
CLERK OF THE CIRCUIT COURT
FOR THE
COUNTY OF AUGUSTA**

**REPORT ON AUDIT
FOR THE PERIOD
JULY 1, 2010 THROUGH JUNE 30, 2011**



–TABLE OF CONTENTS–

	<u>Pages</u>
AUDIT LETTER	1
COMMENTS TO MANAGEMENT	2
CLERK’S RESPONSE AND CORRECTIVE ACTION PLAN	3



Commonwealth of Virginia

Auditor of Public Accounts

Walter J. Kucharski
Auditor of Public Accounts

P.O. Box 1295
Richmond, Virginia 23218

September 6, 2011

The Honorable John B. Davis
Clerk of the Circuit Court
County of Augusta

Board of Supervisors
County of Augusta

Audit Period: July 1, 2010 through June 30, 2011
Court System: County of Augusta

We have audited the cash receipts and disbursements of the Clerk of the Circuit Court for this Court System and for the period noted above. Our primary objectives were to test the accuracy of financial transactions recorded on the Court's financial management system; evaluate the Court's internal controls; and test its compliance with significant state laws, regulations, and policies.

Management's Responsibility

Court management has responsibility for establishing and maintaining internal controls and complying with applicable laws and regulations. Internal control is a process designed to provide reasonable, but not absolute, assurance regarding the reliability of financial reporting, effectiveness and efficiency of operations, and compliance with applicable laws and regulations. Deficiencies in internal controls could possibly lead to the loss of revenues or assets, or otherwise compromise fiscal accountability.

We noted a matter involving internal control and its operation necessary to bring to management's attention. The matter is discussed in the section titled Comments to Management. Any response and written corrective action plan to remediate this matter provided by the Clerk are included as an enclosure to this report.

We discussed this comment with the Clerk and we acknowledge the cooperation extended to us by the court during this engagement.

AUDITOR OF PUBLIC ACCOUNTS

WJK:alh

cc: The Honorable Humes J. Franklin, Jr., Chief Judge
Patrick J. Coffield, County Administrator
Robyn M. de Socio, Executive Secretary
Compensation Board
Paul F. DeLosh, Director of Judicial Services
Supreme Court of Virginia
Director, Admin and Public Records
Department of Accounts

COMMENTS TO MANAGEMENT

We noted the following matter or matters involving internal control and its operation that has led or could lead to the loss of revenues, assets, or otherwise compromise the Clerk's fiscal accountability.

Remit excess copy fees to the State

The Clerk did not deposit excess copy fees for the months of October and November 2010 until January 13, 2011 to the State Treasury, and then transferred \$6934.96 from the wrong account. The deposit of collections for February 2011 of \$1692.41 did not occur until April 7, 2011. The Clerk should deposit state collections with the State Treasury in accordance with the established guidelines for copy fees.



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County of Augusta
COMMONWEALTH OF VIRGINIA



JOHN B. DAVIS
CLERK OF CIRCUIT COURT

August 30, 2011

Walter Kucharski
Auditor of Public Accounts
P.O. Box 1295
Richmond, VA 23218

Re: Audit Report Dated August 19, 2011

To Whom It May Concern,

I would like to make my comments on the "Comments to Management" section of the Audit Report for the Augusta County Clerks' Office dated August 19, 2011.

The Clerk, acknowledges the late transfer of excess copy fees to the Commonwealth in the months cited. However, even though late, there was **no** loss of revenue to the Commonwealth. The Deputy Clerk who's job it was to communicate with the county to "certify" the amount of copy fees to be remitted to the county (with the excess going to the state) is no longer an employee of the Clerk's Office. The Clerk will now **personally** handle this monthly procedure to assure compliance.

The transfer from the wrong account was a scrivener's error on the JV (263 instead of 236) and was corrected long before the audit was performed.

Sincerely,

John B. Davis, Clerk